

Tasking Memorandum No. 00- 95

Memorandum for Commanders DCMCs, DCMC CAOs

Subject: Contract Closeout by September 30, 2002 (TASKING)

Date: Jan 21, 2000

Suspense Date: April 1, 2000

Target Audience: CAO Commanders, all personnel involved in contract closeout and resource planning

Requirements(s)

- Preparing for the retirement of MOCAS (Mechanization of Contract Administration Services) and transition to the SPS/DPPS (Standard Procurement System/Defense Procurement Payment System) is a central challenge and top priority for DCMC. Our goal is to close all contracts that will become physically complete (in accordance with FAR 4.804-4) by September 30, 2002—the date MOCAS will be retired. We will not transition any contracts to SPS unless performance extends beyond September 30, 2002. In order to assure closeout of physically complete contracts and plan for Command-level assistance, CAOs must complete the following actions no later than April 1, 2000.
- Assure the accuracy of all final delivery dates (FDD) in accordance with contract requirements for contracts in MOCAS.
- Identify all DCMC-administered contracts not in MOCAS with performance after September 30, 2002.
- Identify all contracts where you expect performance after September 30, 2002 and potential problems you expect in transferring the contracts into SPS, keeping in mind that all contracts migrating to SPS must be fully reconciled or validated.
- Develop a plan that reflects the efforts needed to ensure closure of all physically complete contracts by September 30, 2002. The plan should consider focusing closure activities on the order of precedence identified in Attachment 1 and should show:
 - Quantity of existing contracts to be closed by fiscal year quarter.
 - Remarks as to the exceptions, extraordinary actions, or relief you would need in order to accomplish contract closure by September 30, 2002 where it is evident there will not be sufficient time based on your experience with current process requirements.
 - Assess the impact on the current CAO Performance Contracts to redirect necessary resources in FY 2000 to ensure all DCMC-administered contracts will be closed according to the above plan, identified for closure by September 30, 2002, or identified for migration to SPS.
 - Notify the District or the MOCAS Transition Assistance Center (discussed below) of any assistance the CAO needs relative to preparing a plan or meeting the goal of closing all DCMC-administered contracts becoming physically complete by September 30, 2002.

- **Based on the above assessments, CAOs are to provide the following information electronically to your District Process Champion for contract closeout, with a copy to the MOCAS Transition Assistance Center at the email addresses noted under Point of Contact, no later than close of business, April 1, 2000.**
 - Statement from Commander that all contracts currently in MOCAS Part A, Sections 1 through 4 (except firm fixed priced contracts under \$500,000 with an FDD no later than 3/31/02), have been (and new contracts will be) identified with the following R9 codes as outlined below (All contracts will only contain one of the following: XA, XB, XC, or XD - choose code for worse case scenario based on historical experience with your contractor):
 - XA* -Will be physically complete by 6/30/02 but not closed by 9/30/02
 - XB* -Will be physically complete between 6/30/02 and 9/30/02, but not closed by 9/30/02
 - XC* -Will close NLT 9/30/02
 - XD* – Significant performance scheduled after 9/30/02
 - *XA through XD will be input for all new MOCAS Part A contracts during contract receipt and review, until new contracts are input into SPS/DPPS.
 - In addition to the initial coding of XA through XD on all required contracts, also code with the following sub-codes, as applicable:
 - XF – Accepted as Fast Track Candidate by DFAS (ref: Tasking Memo 99-229, dated July 9, 1999)
 - XH – Unsettled final overhead rates
 - XL – Unsettled legal issue
 - XN – Negotiated settlement is required
 - XP – Open Patent Issue
 - XQ -Awaiting final reconciliation by DCMC on obligation data
 - XR – ACO complete, awaiting final reconciliation by DFAS on disbursement data
 - XS – Special Circumstances/Other, explained in the ACO notebook field in MOCAS
 - XT – Complete termination (will not close prior to 30 Sep 02)
 - R9 codes must be continually updated as changes occur.
 - Identify the number of contracts you plan to close in FY00 to the meet the overall DCMC goal.
 - Identify any adjustments that will be necessary to the FY 2000 CAO Performance Contract.
- It is recognized that closing all physically complete contracts by September 30, 2002 will require some extraordinary actions given the current process for closing contracts. To that end, DoD is preparing a Defense Reform Initiative Directive (DRID) that will require all parties involved to take the steps necessary to reconcile, then close or convert the MOCAS contracts into DPPS no later than September 30, 2002. In anticipation of the DRID, and the

effort it will take to reach our goal, the DCMC Commander has directed the transition of the Overhead Center to a MOCAS Transition Assistance Center to assist CAOs in meeting this challenging task. The Center will be working with DFAS to obtain agreements to expedite the reconciliation process by accepting negotiated settlements, ACO notice of contractors paid in full, ACO final price determination via contract modification, etc. The Center will notify CAOs when such agreements are in place.

- Creating a plan now for meeting the September 30, 2002 goal of closing MOCAS contracts that will be physically complete by that date will help the Command identify the actions and resources needed to accomplish this challenge. It will also bring to the forefront the extraordinary actions the Command will need to initiate to overcome delays of the current closeout process. Providing the required information to the District and MOCAS Transition Assistance Center will help them identify processes and CAOs where assistance may be needed.
- PLAS Code 181, Contract Closeout, should be used for this effort.

Point of Contact for Further Information:

DCMDE Process Champion: Joyce Blais, { [HYPERLINK](#)
<mailto:jblais@dcmde.dla.mil> } , DCMDE-OOB/(617) 753-3398 or DSN 955


DCMDW Process Champion: Lolita Pizarro, { [HYPERLINK](#)
<mailto:lpizarro@whq.dcmdw.dla.mil> } , DCMDW-OOB/(310) 900-6567 or DSN 929

DCMDI Process Champion: Charlene Baez, { [HYPERLINK](#)
["cbaez@dcmchq.dla.mil"](mailto:cbaez@dcmchq.dla.mil) } , DCMDI-O/(703) 767-2792 or DSN 427

DCMC Headquarters Process Owner: Patty Tellez, {[HYPERLINK](#)
["ptellez@dcmchq.dla.mil"](mailto:ptellez@dcmchq.dla.mil)}, DCMC-OA/(703) 767-3436 or DSN 427

MOCAS Transition Assistance Center: John McPherson, [HYPERLINK](#)
["mailto:jmcperson@dcmchq.dla.mil"](mailto:jmcperson@dcmchq.dla.mil)}, DCMCC-E/(703) 767-8136 or DSN 427-8136

Signature:


JILL E. PETTIBONE
Executive Director
Contract Management Operations
Defense Contract Management Command

Attachment

Tasking Memorandum No. 00- 95
Subject: Contract Closeout by September 30, 2002 (TASKING)
Date JAN 1 2000

Attachment 1
Order of Precedence

In order to assist CAOs in developing a plan for closing contracts that are currently or will become physically complete by 30 Sep 02 and identifying contracts that will be transitioned into SPS, the following order of precedence is suggested:

1. Input an R9 "X-Code" (XA, XB, XC or XD) for each contract (*exception: firm fixed price contracts under \$500,000 with an FDD no later than 3/31/02*).
2. Review/Update all contract scheduled delivery dates (FDD).
3. Identify all contracts where all ACO actions are complete and awaiting DFAS adjustment/action*.
 - Input an R9 sub-code "XR" for each contract
4. Identify all contracts with FDD scheduled to complete *after 30 Sep 02**.
 - Identify SPS transition candidates
 - Identify necessary actions to fully reconcile or validate the SPS transition candidates
5. Identify all contracts with FDD scheduled to complete *by 30 Sep 02**.
 - Prioritize closeout actions according to age and type of contract in order to ensure closure by 30 Sep 02.

Fixed Price Contracts

- a. Identify contracts where ULO balance equals \$0.00*
- b. Identify contracts with reconciliation problems

Basic Instruments (BOAs and IDIQs)

- a. Identify basics with "no open orders"*
- b. Review FDD for BOAs/IDIQs, considering ordering period limitation
- c. Identify basics with obligation/ULO balances*

Cost Type Contracts

- a. Identify contracts with settled overhead rates*
- b. Identify cost type task orders ("D" Instrument)*, implement early closeout procedures
- c. Identify reconciliation problems

Time and Material and Labor Hour Type Contracts

- a. Review T&M and LH task orders* and identify early closeout candidates, obtain completion vouchers
- b. Identify reconciliation problems

Other Disbursing Office (ODO) Contracts*

- a. Identify/Close physically complete contracts

System Acquisition Contracts (ACAT)

- a. Identify all System Acquisition Contracts*
- b. Identify reconciliation problems

6. Estimate how many new contracts will be received by 31 Mar 01.
 - Identify necessary actions to close or transition to SPS

*Impromptu Query will be available on the MOCAS Transition Assistance Center (MTAC) Home Page.